

THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) is the City's primary source for addressing the community development needs of Seattle's low- and moderate-income households and neighborhoods. The City of Seattle invests in people so that all families and individuals can meet their basic needs, share in our economic prosperity, and participate in building a safe, healthy, educated, just and caring community.

Policies and priorities for distributing CDBG funds to community-based organizations are derived from the City's Consolidated Plan for Housing and Community Development, which is coordinated by the Human Services Department (HSD). Allocations to community-based organizations are determined by the departments administering the particular service areas through both competitive and negotiated processes. As required by the U.S. Department of Housing and Urban Development (HUD), the Consolidated Plan outlines funding policies and strategies for the CDBG as well as for Housing Opportunities for Persons with AIDS (HOPWA), the HOME Investment Partnership (HOME), and Emergency Shelter Grant (ESG) funds.

Goals

- Expand the supply of decent and affordable housing for low- and moderate-income households.
- Increase the livability, stability and viability of low- and moderate-income neighborhoods by focusing resources on capital improvements and human services to reduce poverty.
- Promote economic growth through access to capital and credit for development activities, development and expansion of small businesses, and technical assistance that enhance the long-term economic and social viability of low-income neighborhoods.
- Prevent the decay and deterioration of the city's existing infrastructure and protect its investments in parks, streets and sidewalks.

ABOUT THIS UPDATE

The City of Seattle's Consolidated Housing and Community Development Plan is developed in response to the requirements of the Department of Housing and Urban Development (HUD). It serves as the plan and application for funding under four HUD formula programs: **Community Development Block Grant (CDBG)**, **HOME Investment Partnerships (HOME)**, **Emergency Shelter Grant (ESG)**, and **Housing Opportunities for Persons with AIDS (HOPWA)**. The 2004 Annual Action Plan updates the *City of Seattle's Consolidated Plan*, a four-year plan (2001-2004) which addresses the City's housing and community development needs.

WHAT IS THE PURPOSE OF THE UPDATE?

Reassesses the City's four-year priorities and strategies for housing, homelessness, community development, and the community development delivery system;

Describes what the City plans to do to further the four-year priorities and strategies of the Consolidated Plan; and



Reports on specific items required by the U.S. Department of Housing and Urban Development (HUD), such as reducing the number of families living in poverty and removing barriers to affordable housing.

WHAT'S NEW IN THE PLAN?

Outcomes: Policymakers and funders have grown increasingly interested in knowing the impact and what has changed as a result of these programs. In response, the 2004 Consolidated Plan includes proposed outcomes for CDBG-funded programs and services.

HOW IS THE UPDATE STRUCTURED?

The 2004 Update to the Consolidated Plan is divided into three major sections:

The Overview: provides a description of the allocation of 2004 funds and outlines how Seattle plans to maintain affordable housing and remove barriers to affordable housing. In addition, this section provides an update on the City's anti-poverty strategy.

Strategies and Emerging Trends: outlines emerging trends and strategies in housing, including the City's neighborhood housing policies and capital plan for housing production, homelessness, human services, and economic development.

Appendices: includes the Coordination and Institutional Structure, an Allocation Summary, a revised Citizen Participation Plan and Income Guidelines.

The Action Plan: provides a detailed account of the annual use of four federal fund sources that meet the housing, human development and economic development needs of low- and moderate-income communities.

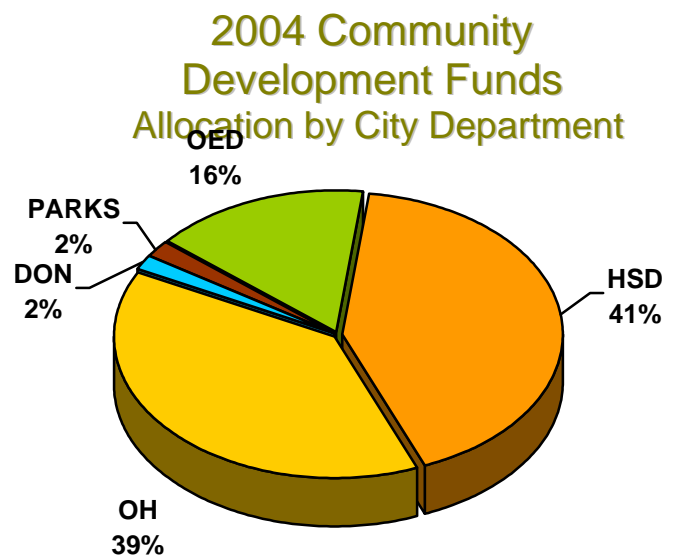
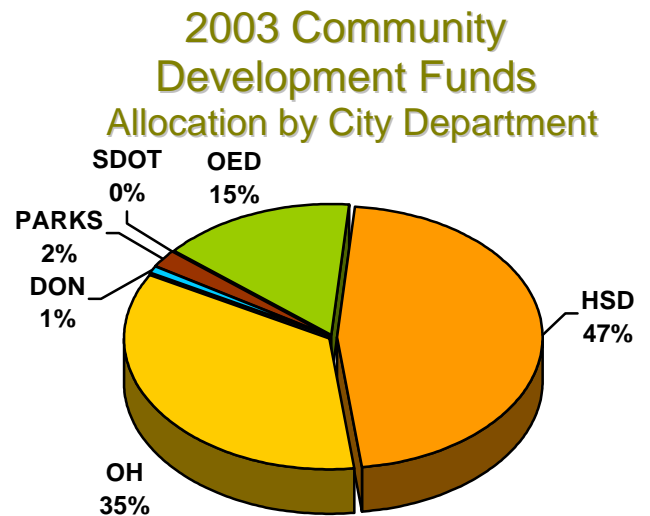
To request copies of this report and the 2001-2004 Consolidated Plan, call 684-0288. The 2001-2004 Consolidated Plan is also available at www.cityofseattle.net/humanservices/director/ConsolidatedPlan

ALLOCATION OF CONSOLIDATED PLAN FUNDS

ALLOCATION OF 2004 FUNDS

The 2004 Update to the Consolidated Plan summarizes categories and priorities for the distribution of approximately \$17.7 million in CDBG funds (*including program income*), \$4.9 million in HOME Partnership funds, \$510,000 in ESG funds and \$1.7 million in HOPWA funds from HUD.

The 2004 Proposed Budget estimates the amount of CDBG dollars anticipated by the City to be available, appropriates these funds, and makes specific CDBG proposals for certain City programs. The City's 2004 revenue projections hold CDBG resources constant at the 2002 actual award. Final CDBG program allocations are subject to the appropriation levels set by the U.S. Congress and implemented by HUD.



NOTE: The contents of this Plan are not intended to confer any legal rights or entitlements on any persons, groups or entities, including those named as intended recipients of funds or as program beneficiaries. The terms of this Plan are subject to amendment and to the effect of applicable laws, regulations and ordinances. Statements of numerical goals or outcomes are for the purpose of measuring the success of programs and policies and do not impose a legal obligation on the City to achieve the intended results. Actual funding of particular programs and projects identified in this Plan is subject to completion of various further actions, some of which involve discretionary determinations by the City or others. These include HUD approval of this Plan; appropriations by the United States Congress and the City Council; reviews and determinations under environmental and related laws; and results of bidding and contracting processes.

* budget figures are estimates and subject to change

ANTI-POVERTY STRATEGY

Many of Seattle's low-income individuals and families have not benefited from a strong economy and historic low unemployment. Unemployment rates in many Seattle neighborhoods exceed 7.3%. Against that backdrop, the City of Seattle is pursuing an integrated three-pronged approach to increasing self-sufficiency:

HELP SEATTLE'S CHILDREN

The lives of children reveal the most dramatic impacts of economic disparities. More than 18% of Seattle's 5 to 17 year-olds fall below the federal poverty line and more than one in four Seattle teenagers fail to graduate from high school, substantially increasing their risk of living a life of poverty. In addition to programs included in the Consolidated Plan, Seattle has initiated three programs that offer positive alternatives and increase opportunities for children.

- **Project Lift-off:** Aims to embrace all of Seattle's children and youth, ages birth to eighteen, by creating a system of early care and education and out of school time activities that is affordable, easy to access and highly effective.
- **Reinvesting in Youth:** Increases the number of youth who receive the support needed to complete high school, stay out of the juvenile justice system and develop the skills and assets necessary to make a positive transition to adulthood.
- **Homeless Families, Children and Youth:** Provides assistance for homeless families, children and youth in moving to safe, stable housing by leveraging additional support.

INCREASE FAMILY INCOMES

A recent national study found that Washington State is among the ten states where income inequality has grown the most in the last decade. The Seattle area is home to an estimated 59,000 millionaires, more per capita than any other place in the U.S. At the same time, 64,068 live below the federal poverty line. In the face of these realities, the City of Seattle is promoting strategies that boost the incomes of the poor and build skills that lead to livable wage jobs:

- **Raise family incomes by increasing participation in existing benefit programs:**

What is Help for Working Families?

Help for Working Families (HWF) is a program developed by the City of Seattle, aimed at increasing the economic stability of low- and moderate-income families by connecting them with available public assistance to help them be more financially stable. This effort provides access to Child Care subsidy, Food Assistance, Health Care, Energy/Utility Assistance and Earned Income Tax Credit. The Help for Working Families model is a system of "one-stop" access that reaches clients where they live and work, eliminating unnecessary barriers to access.

In 2002, the City shifted its strategy from an information campaign about these benefits to a system of intake and enrollment staged at times and in places convenient to low-income working families and individuals. The City will streamline and expand this approach in 2004 with the goal of helping low-income working families and individuals obtain \$10 million in available benefits for which they are eligible but currently unenrolled. The Help for Working Families team will employ the following methods to achieve this goal:

- Consolidate administration of the program in the Human Services Department.
- Develop capacity to receive applications for City utility rate reduction programs on-line.
- Expand availability of Help for Working Families program specialists through:
 - Regular availability at all City of Seattle Neighborhood Service Centers, WorkSource Centers, Teen Health Centers, places of employment and Community Colleges.
 - Regular staffing of the Seattle Municipal Court's Community Involved Justice Center.
 - Expanded training of staff at community-based agencies to screen and refer clients for programs supported by HWF.
 - Partnering with Mutual Assistance Associations to expand enrollment of hard-to-reach refugee and immigrant populations.

➤ **Expand opportunities to find and keep livable wage jobs:**

Seattle Jobs Initiative

Seattle will continue to support the Seattle Jobs Initiative (SJI) program. SJI leverages workforce and human service innovations to place low-income residents in quality jobs and create competitive advantage for employers in our region.

SJI has made a concerted effort to reach diverse, low-income residents with significant barriers to employment. Of the people served, over 71% are people of color, 35% are on some form of public assistance at time of enrollment and nearly all participants have one or more barriers to employment such as homelessness, substance abuse, mental health issues and limited English proficiency.

To date, SJI has placed over 3,300 people with hundreds of local employers at an average starting wage of \$9.95 per hour. SJI has a 12-month retention rate of 60%. Of the individuals placed 44% have advanced within 12 months and earn an average wage of \$13.06 per hour.

INCREASE ACCESS TO AFFORDABLE HOUSING

Excessive rent burdens and low vacancy rates have gravely affected low-income Seattle households. Housing assistance programs identified in this plan help individuals and families stabilize housing and focus their attention on attaining a better standard of living. The City's focus will continue to be on multi-family rental units for households with incomes below 30% of median income. Seattle will increase the programs available to assist households to move from subsidized rental units to become homeowners as the next step on the housing continuum.

Seattle also assists low-income homeowners, particularly seniors, with home rehabilitation loans and minor repairs in an effort to keep them in their homes. In addition, SJI also connects job seekers and training participants to affordable housing resources to assist in their attainment of living wage jobs.

Maintaining Affordable Housing

Preservation of existing affordable housing is critical to addressing affordable housing needs in Seattle. Many of the strategies described later in the Housing Strategic Plan chapter of the Consolidated Plan specifically relate to preservation. Key preservation strategies include programs that provide funding for projects with expiring regulatory agreements and deferred maintenance needs, and active monitoring

of OH's portfolio of City-funded affordable housing units to ensure their long-term physical and financial viability.

Removing Barriers to Affordable Housing

Many of the strategies outlined in this chapter of the Consolidated Plan are designed to increase the supply of affordable housing in Seattle. The City also routinely reviews local policies and regulations in order to identify those that may pose barriers to affordable housing. The following is a brief list of actions, not previously mentioned, aimed at removing such barriers:

- ▶ The City's Department of Design, Construction and Land Use (DCLU) implemented a demonstration program permitting construction of cottage housing and detached accessory dwelling units in single-family zones.
- ▶ The Seattle City Council approved legislation allowing live-work units in commercial, Downtown, and some multifamily zones, subject to appropriate standards.
- ▶ DCLU recently streamlined the City's development permitting system.
- ▶ The City reduced minimum parking requirements for low-income housing.
- ▶ Low-income senior and disabled homeowners can qualify for a reduction or deferral of their property taxes through the King County Assessor's Office.
- ▶ The City allows residential development in mixed-use commercial zones in all Seattle neighborhoods.
- ▶ The City's Design Review process encourages departures from development standards when appropriate.
- ▶ DCLU allows increased flexibility for the preservation of low-income housing and historic buildings.
- ▶ DCLU is simplifying the City's land-use code.

Evaluating and Reducing Lead-Based Paint Hazards

HUD completed a national survey of residential units to measure potential lead-based paint poisoning in 1990. The survey only included units built before 1979, after which lead-based paint was no longer allowed in residential buildings. HUD's survey estimated that approximately 173,000 housing units in Seattle were likely to have lead-based paint (67% of all units), about one-half owner-occupied units and one-half renter-occupied. The survey showed little difference in the percentage of lead-based paint in housing units affordable across different income levels.

A Seattle-King County Department of Public Health epidemiological study of the blood lead level in children in the tri-county area, found that four percent of children tested had levels above the minimum threshold. No children had lead levels considered to be poisonous and no children required medical treatment. In 1994, the State's Department of Health instituted a three-year monitoring system to obtain information on lead poisoning from both public and private health systems. The City is not aware of any reports of lead poisoning in children. The U.S. Department of Housing and Urban Development issued a new rule in September 1999 to further protect young children from lead-based paint hazards in housing that receives federal funding. It issued new prohibited methods of paint removal for rehab programs. The new rule took effect September 2000.

OH has taken the following actions to implement the new federal regulations related to lead-based paint:

- ▶ Implemented the prohibited practices requirements.
- ▶ Convened an interdepartmental work group to draft guidelines and policies.

- ▶ Developed implementation strategies in conjunction with the Seattle-King County Department of Public Health.
- ▶ Adopted a construction requirement that all projects funded by OH comply with the new regulations.
- ▶ Sent appropriate City staff to HUD-sponsored training.
- ▶ Prepared and distributed lead-based paint educational materials to nonprofit agencies and private contractors.
- ▶ Sponsored on-going workshop training sessions for nonprofit agencies and private contractors. Ninety-four contractors and crewmembers have attended OH-sponsored Lead Safe Work Practices training. Fourteen weatherization contractors and crew have taken Lead Awareness training. Three contractors have been trained and certified as Abatement Supervisors, and four crewmembers have been trained and certified as Abatement Workers.